

BEFORE THE BOARD OF OIL AND GAS CONSERVATION
OF THE STATE OF MONTANA

IN THE MATTER OF GRASSY BUTTE LLC FAILURE TO
PROPERLY MAINTAIN THE KESTERSON 5 (API # 25-
087-21488) WELLSITE IN ROSEBUD COUNTY,
MONTANA.

ADMINISTRATIVE ORDER 4-A-2020

Grassy Butte LLC (Grassy Butte) is the operator of the Kesterson 5 salt water disposal well, API # 25-087-21488, located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 34, T10N-R33E, Rosebud County.

Board Order 5-2020, issued at the February 13, 2020, hearing directed Grassy Butte to either plug and abandon or convert to a stock water well its Kesterson #5 well before the August 6, 2020, public hearing. Doing so, the outstanding fine in the amount of \$8,500 is dismissed. Grassy Butte was also ordered to place a net over its pit by April 1, 2020 and skim the oil from the pit as weather allows.

Grassy Butte plugged the well by the deadline and the fine was dismissed. Grassy Butte also placed a net over the pit by the April 1st deadline.

The cleanup of the pit is ongoing. The field inspector reported over 400 bbls of oil had been removed from the pit, but oil remains.

IT IS THEREFORE ORDERED by the Board that Grassy Butte must have the oil removed from the pit prior to the August 27, 2020, hearing application deadline. Failure to come into compliance will result in Grassy Butte being ordered to show cause at the October 1, 2020, public hearing, as to why additional penalties should not be imposed.

Dated this 5th day of August, 2020

Montana Board of Oil and Gas Conservation

James W. Halvorson, Administrator